

# ***FLEXO FILM WRAPS (INDIA) LIMITED***



REPORT JUNCTION.COM

**Annual Report And Accounts**

***1998***



## ***FLEXO FILM WRAPS (INDIA) LIMITED***

### ***DIRECTORS***

Kunal Thirani - Managing Director  
K. K. Sadani - Executive Director  
M. D. Sohani - Nominee of SICOM  
Aparna Chaturvedi - Nominee of UTI  
Pramod Khaitan  
Alok Bhartia  
V. D. Thirani  
Madhavi Thirani

### ***AUDITORS***

Bhatter & Company  
Chartered Accountants, Mumbai.

### ***BANKERS***

The Saraswat Co-Operative Bank Limited

### ***REGISTERED OFFICE***

B-22, M.I.D.C. Industrial Area,  
Waluj, Aurangabad - 431 136.  
Phone : +91-240-554915 / 554209  
Fax : +91-240-554119

### ***WORKS***

#### **UNIT-I**

B-22, M.I.D.C. Industrial Area,  
Waluj, Aurangabad - 431136.  
Phone : +91-240-554915 / 554209  
Fax : +91-240-554119

#### **UNIT-II**

Village Farola, Taluka Paithan,  
Dist. Aurangabad.  
Maharashtra.  
Phone : (02431) 51662 / 51663 / 51664  
Fax : +91-2431 - 51661

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## **FLEXO FILM WRAPS (INDIA) LIMITED**

### **NOTICE**

Notice is hereby given that the THIRTEENTH ANNUAL GENERAL MEETING of the members of **FLEXO FILM WRAPS (INDIA) LIMITED**, will be held at its Factory at Gut No.74, Village Farola, Taluka Paithan, Dist. Aurangabad on 20<sup>th</sup> February at 3.00 p.m. to transact the following business.

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31<sup>st</sup> December, 1998 and the Balance Sheet, as on that date and the Report of Directors and Auditors thereon.
2. To appoint Director in place of Mrs.V.D.Thirani, who retires by rotation and being eligible offers herself for reappointment.
3. To appoint Director in place of Mrs. Madhavi Thirani, who retires by rotation and being eligible offers herself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **NOTES :**

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend instead of himself. A proxy need not be a member of the Company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the Annual General Meeting.
2. The Register of Member and Share Transfer books will remain closed from February 15<sup>th</sup> to February 20<sup>th</sup> 1999 (both days inclusive).
3. Shareholders intending to require information in respect of Accounts are requested to send their queries to the company at its registered office at least 7 days in advance of the Annual General Meeting.
4. Members are requested to notify the change in address, if any, promptly to the company quoting their folio numbers.

**BY ORDER OF THE BOARD**

Place: Calcutta  
Date : January 19, 1999

**KUNAL THIRANI**  
Managing Director

#### **Regd. Office :**

B-22, M.I.D.C.Area Waluj,  
Aurangabad - 431136.

## **FLEXO FILM WRAPS (INDIA) LIMITED**

### **DIRECTOR'S REPORT**

Your Directors are pleased to present their Report on the Company's Operation together with the Audited Accounts for the changed year ended 31<sup>st</sup> December, 1998.

#### **1. FINANCIAL RESULTS :**

Particulars	<i>Rupees in Lacs</i>	
	<b>Current Year ended 31<sup>st</sup> December, 1998</b>	<b>Previous Year ended 31<sup>st</sup> March 1998</b>
Sales	829.21	779.04
PBIDT	(34.96)	(4.22)
Less Interest	223.61	238.26
PBDT	(258.57)	(242.48)
Less Depreciation & Amortisation	115.21	82.35
PBT	(373.78)	(324.83)
Less Provision for Tax	-	-
PAT	(373.78)	(324.83)
Short Provision of Dep.Of previous year	66.94	-
Balance Carried forward to Balance Sheet	(440.72)	(324.83)

#### **2. DIVIDEND**

In view of the loss suffered by the company, the Board has not recommended any dividend for the year ended 31<sup>st</sup> December, 1998.

#### **3. PERFORMANCE**

Waluj Unit - The unit achieved a turnover of Rs.345.00 lacs in 1998 (nine months) as against Rs.457.45 in the previous year. The PBDT for 1998 (nine months) stood at Rs.16.42 lacs as against Rs.32.25 lacs in the previous year.

Farola Unit - The unit achieved a turnover of Rs. 484.22 lacs in 1998 (nine months) as against Rs.321.59 in the previous year. The PBDT for

1998 (nine months) stood at Rs.(281.21) lacs as against Rs.(280.95) lacs in the previous year. The overall recession the economy in general and flexible packaging industry in particular has affected the performance of the company.

#### **4. REFERENCE TO BOARD OF INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR)**

In view of the loss reported in the audited accounts of the company as at the end of 31<sup>st</sup> December, 1998 which exceeds its net worth, the company has become a sick industrial company within the meaning of the Sick Industrial Companies (Special Provisions) Act. 1985.

## **FLEXO FILM WRAPS (INDIA) LIMITED**

### **DIRECTOR'S REPORT CONTD.**

Accordingly, your Directors at their meeting held on 19.01.99 have resolved to refer the company to BIFR for rehabilitation. Necessary action is being taken in this regard.

#### **5. CHANGE IN FINANCIAL YEAR**

Your Directors have resolved to change the financial year to end on 31<sup>st</sup> December every year. Consequently, the accounts for the financial year 1998 shall comprise for a period of nine months from 1.4.98 to 31.12.98. Such change of financial year was approved by the Board Of Directors at its meeting held on 30.12.98

#### **6. FIXED DEPOSIT**

Your company has not accepted any deposits under Section 58A of the Companies Act, 1956 from the public.

#### **7. INSURANCE**

All the properties of the company including Plant & Machinery, Stores & Stocks, wherever necessary and to the extent required, have been adequately insured.

#### **8. PERSONNEL**

The company continues to maintain cordial relations with the workmen and staff. Your Directors wish to express their appreciation to all the employees of the company for their continued support and contribution.

#### **9. DIRECTORS**

Mrs. V.D.Thirani & Mrs. Madhavi Thirani retire from the Board by rotation and being eligible, offer themselves for reappointment.

#### **10. AUDITORS**

Bhatter & Company, Chartered Accountants, Auditors of the company retire at the conclusion of the exsuing Annual General Meeting and being eligible under Section 224 (1B) of the Companies Act, 1956 offer themselves for reappointment.

#### **11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND**

#### **FOREIGN EXCHANGE EARNING AND OUTGO :**

**A) Conservation of Energy :** The manufacturing process of the company is not power intensive. However the company is continuing its efforts to conserve energy and saving the consumption of electricity.

**B) Technology Absorption :** Based on the up gradation of technology for the imported plant from Taiwan & Reifenhäuser-Germany, for manufacture of Stretch, Lamination & Masking Film, our technical personnel are regularly doing various researches for product development, quality improvement, process modification and cost reduction etc.

**C) Foreign Exchange :** Foreign Exchange earning of the company is Nil for the year under review, whereas the outgo is Rs.28.66 Lacs on account of raw material import, foreign visits for exports, etc.

#### **12. PARTICULARS OF EMPLOYEES :**

The statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forming part of the Director's Report is annexed.

#### **13. APPRECIATION :**

Your company and its Directors wish to extend their sincere thanks to the Central and State Government, the Financial Institutions, Banks and Shareholders for their continuing co-operation and assistance.

**On behalf of the Board.**

Place : Calcutta  
Date : January 19, 1999

**KUNAL THIRANI**  
Managing Director

***FLEXO FILM WRAPS (INDIA) LIMITED******ANNEXTURE TO THE DIRECTOR'S REPORT***

Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees Rules, 1975 ).

Name	Age Years	Designa- tion/Nature of duties	Remune- ration Rupees	Qualifi- cation	Experience	Date of commen- cement of employment	Last employment held and designation
KUNAL THIRANI	28	Managing Director	3,49,487	B.Com.	8 Years	27/09/90	Nil

- Notes :** i) Remuneration includes Salaries, Allowances, Bonus, Medical, Leave Travel Assistance and Company's contribution to Provident Fund.  
 ii) Appointment of Mr.Kunal Thirani is on contractual basis.



## **FLEXO FILM WRAPS (INDIA) LIMITED**

### **AUDITOR'S REPORT TO THE MEMBERS**

We have audited the attached Balance Sheet of **M/S FLEXO FILM WRAPS (INDIA) LIMITED** as at 31<sup>st</sup> December, 1998 and the Profit and Loss Account of the Company for the period ended on that date.

of affairs of the Company as at 31<sup>st</sup> December, 1998

and

(ii) in the case of the Profit and Loss Account of the Loss for the period ended on that date.

We report as follows :-

**For Bhatte & Company**  
**Chartered Accountants**

- 1) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order, to the extent applicable to the company.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above,
  - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
  - (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Accounts of the Company.
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
    - (i) in the case of the Balance Sheet, of the state

Place : Calcutta  
Date : January 19, 1999

**D.H.BHATTER**  
**PROPRIETOR**